

DAILY MARKETS OVERVIEW

28 OCTOBER 2018

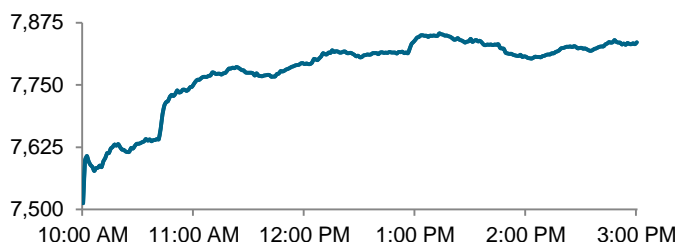
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,836	4.3	2.5	8.4	16.2
Saudi (NOMU)	2,423	0.3	1.5	-22.8	8.0
Energy	4,657	-2.3	-1.2	8.8	15.6
Materials	5,518	4.3	1.8	9.2	17.0
Capital Goods	3,940	-0.6	4.4	-9.2	16.8
Com. & Prof. Svc	4,031	2.7	2.7	-4.2	17.7
Transportation	3,479	2.6	-0.5	-13.3	20.8
Cons. Durables & Apparel	3,359	0.7	-0.6	-18.9	NA
Consumer Services	2,932	-0.1	-2.8	-20.4	16.6
Media	11,040	1.8	6.4	42.7	NA
Retailing	6,312	5.9	5.8	12.1	23.8
Food & Staples Retailing	5,706	5.5	6.0	1.7	23.4
Food & Beverages	4,060	5.8	6.4	-17.1	26.7
Health Care Equipment	3,549	4.3	4.2	-20.1	17.4
Pharma, Biotech & Life Science	4,050	8.7	5.7	2.0	26.1
Banks	7,159	5.6	3.4	30.1	12.8
Diversified Financials	3,222	1.0	-0.6	-20.1	NA
Insurance	3,652	0.9	1.1	-22.7	29.7
Telecommunication	5,064	4.6	3.1	19.1	16.8
Utilities	3,268	0.2	-6.2	-28.4	NA
REITs	3,595	0.7	0.7	-22.4	NA
Real Estate	3,234	0.5	-0.8	-31.2	19.4

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Mouwasat Medical Services Co.	77.10	10.0%	117.0
Saudi Enaya Cooperative Insurance Co.	18.50	10.0%	5.6
Saudi Company for Hardware	86.10	10.0%	19.6
Saudi Pharmaceutical Industries & Medical Appliances Corp.	30.70	8.7%	12.1
Almarai Co.	49.40	8.5%	59.0

Source: Tadawul

Latest Earnings

Company	Date	Period	Q NI (SAR mn)	Y/Y %	Q EPS (SAR)	Vs. Consensus
Arab National Bank	25-Oct	3Q18	890.1	14.8	0.89	MISS
Saudi Arabian Mining Company	25-Oct	3Q18	518.8	97.5	0.44	NA
Sahara Petro	25-Oct	3Q18	168.5	2.1	0.38	BEAT
National Company for Glass Industries	25-Oct	3Q18	8.7	-41.2	0.26	NA
Saudi Industrial Development	25-Oct	3Q18	-8.7	-141.7	-0.22	NA

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of October 28, 2018

(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 4.3% higher at 7,836 while NOMU ended 0.3% higher at 2,423 on Thursday. TASI traded value totaled SAR 9.6bn and averaged SAR 4.1bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 48% of the daily traded value.
- Banks and Materials closed 5.6% and 4.3% higher, respectively. Telecom closed 4.6% higher. Pharma, Biotech & Life Science (up 8.7%) was the best performer. Among stocks, Mouwasat Medical Services Co. (4002/MOUWASAT AB), Saudi Enaya Cooperative Insurance Co. (8311/ENAYA AB), and Saudi Company for Hardware (4008/SHC AB) led the gainers.
- The Minister of Energy revealed that KSA signed 25 deals worth USD 44bn (SAR 180bn) under the National Industrial Development and Logistics Program (NIDLP). (Source: Argaam)
- The Ministry of Housing signed three agreements worth USD 4.4bn (SAR 16.5bn) to build new residential units across the country. (Source: Argaam)
- The Minister of Economy and Planning stated that KSA has finalized the timetable for its privatization program until the first quarter of 2019, offering opportunities in education, healthcare, grain silos and desalination sectors. (Source: Argaam)
- Norway's sovereign wealth fund plans to more than double its investments in KSA soon after its inclusion in the fund's reference index. (Source: Reuters)
- Head of Russian Direct Investment Fund (RDIF) revealed that KSA would soon invest in the Russian-Chinese investment fund (RCIF). He further stated that the fund will be renamed as the Russian-Chinese-Saudi Fund. (Source: Argaam)
- Royal Commission for Jubail and Yanbu (RCJY) inked an agreement with a Chinese firm to build a ceramics factory at a total cost of SAR 375mn (USD 100mn). RCJY also signed an MoU with another Chinese firm to discuss investment opportunities in the renewable energy industry. (Source: Argaam)
- Saudi Industrial Development Co. (2130/SIDC AB) stated that the partners at The Global Marketing Co. for Sleeping System (Sleep High), a 100% directly and indirectly owned subsidiary, approved a capital increase from SAR 81.3mn (USD 21.7mn) to SAR 100mn (USD 26.7mn). (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Saudi Industrial Export Co.	126.00	-6.3%	160.0
The National Shipping Co of Saudi Arabia	31.70	-5.8%	261.4
Yanbu Cement Co.	19.54	-2.3%	7.2
Middle East Specialized Cables Co.	7.47	-2.1%	6.3
Hail Cement Co.	7.11	-2.1%	2.4

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Saudi Basic Industries Corp.	129.60	6.2%	2,252
Al Rajhi Bank	89.40	6.6%	1,102
Alinma Bank	21.32	4.0%	599
Saudi Kayan Petrochemical Co.	14.34	0.4%	361
Dar Alarkan Real Estate Development Co.	8.99	-0.2%	293

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,736	-0.1	-0.8	-18.8	7.3
Abu Dhabi (ADX)	4,882	-0.9	-2.1	11.0	13.0
Kuwait (KSE)	5,140	-0.4	0.0	0.2	16.2
Qatar (QE)	10,153	0.0	-0.4	19.1	15.0
Oman (MSM)	4,453	-0.2	0.2	-12.7	10.2
Bahrain (BSE)	1,316	-0.1	-0.6	-1.2	8.8
DJMENA Index	559	2.0	1.0	6.0	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,659	-1.7	-3.9	-0.6	19.7
US (NASDAQ 100)	7,167	-2.1	-3.8	3.8	21.3
UK (FTSE 100)	6,940	-0.9	-1.6	-9.7	15.5
Germany (DAX)	11,201	-0.9	-3.1	-13.3	13.5
France (CAC 40)	4,967	-1.3	-2.3	-6.5	15.6
Russia (MICEX)	2,293	-1.6	-2.2	8.7	6.2
Japan (Nikkei)	21,185	-0.4	-6.0	-6.9	15.3
Hong Kong (HSI)	24,718	-1.1	-3.3	-17.4	9.4
South Korea (KOSPI)	2,027	-1.8	-6.0	-17.8	9.8
China (SHCOMP)	2,599	-0.2	1.9	-21.4	12.2
India (NIFTY)	10,030	-0.9	-2.7	-4.8	20.4
Brazil (IBOV)	85,720	1.9	1.8	12.2	20.1
Turkey (BIST 100)	90,542	-3.4	-6.1	-21.5	6.7
Egypt (EGX30)	13,024	0.0	-4.5	-13.3	NA
MSCI Emerging Markets	940	-1.0	-3.3	-18.9	11.4
MSCI World	1,982	-1.2	-3.9	-5.8	16.7

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	77.6	0.9	-2.7	16.1	30.9
Natural Gas (\$/mmbtu)	3.2	-0.5	-2.0	13.5	4.5
Gold (\$/oz)	1,233	0.1	0.5	-5.6	-2.7
Silver (\$/oz)	14.7	0.3	0.8	-13.9	-12.5
Platinum (\$/oz)	833	0.6	0.2	-10.6	-9.3
Copper (\$/t)	6,207	-0.7	-0.3	-13.9	-10.8
Zinc (\$/t)	2,704	0.5	1.0	-19.0	-17.4
Lead (\$/mt)	1,982	-0.3	0.8	-20.6	-20.5
Wheat (\$/bu)	505	3.7	-1.8	8.5	-1.4
Corn (\$/bu)	368	1.9	0.2	-4.2	-7.2
Sugar (\$/lb)	13.8	-0.9	-0.4	-9.0	-8.9

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.52	0.01	0.83	0.00
Saudi Arabia	2.75	0.00	0.85	0.23
UAE	2.68	0.02	0.88	0.16
Kuwait	2.13	0.06	0.25	-0.40
Qatar	2.81	0.01	0.16	0.29
Bahrain	3.70	0.00	0.98	1.18

Source: Reuters

NOTES: (1) Prices updated as of October 28, 2018 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended in the red on Friday. S&P 500 and NASDAQ declined 1.7% and 2.1%, respectively. Dow Jones Industrial closed 1.2% lower. In Europe, both UK and Germany declined 0.9% while France ended 1.3% lower.
- Asian markets ended in the red on Friday. China declined 0.2%. Japan and South Korea closed 0.4% and 1.8% lower, respectively. Hong Kong and India ended 1.1% and 0.9% lower, respectively.
- GCC markets ended mixed on Thursday. Dubai and Abu Dhabi closed 0.1% and 0.9% lower, respectively. Kuwait declined 0.4% while Qatar ended flat. Oman and Bahrain ended 0.2% and 0.1% lower, respectively.
- US jobless claims for the week ended October 20 stood at 215K (prior: 210K; consensus: 212K). (Source: Econoday)
- According to Dubai Statistics Center (DSC), Dubai's resident population grew by 232,400 to reach 3,136,400 at the end of 3Q18, a growth of 7.7% Y/Y. (Source: Zawya)
- The UAE launched a new federal "Manaa" system, which provides a mechanism to share information and control consumer products in the country. The platform enables consumers to inform regulators about any product that they deem unsafe and should be withdrawn from the market in any Emirate. (Source: Arabian Business)
- The Federal Electricity and Water Authority (FEWA) and MDC Power Holding Company, owned by Mubadala Investment Company, have signed an agreement and formed a consortium to co-develop desalination plants in the Northern Emirates. (Source: Arabian Business)
- Damac Properties (DAMAC UH) awarded contract worth AED 299mn (USD 81.3mn) to a wholly-owned subsidiary of UAE's Arabtec (ARTC UH) for the construction of 478 luxury villas within its Akoya Oxygen, a master community development in Dubai. (Source: Trade Arabia)
- Dubai's Enoc Group stated that construction of its 16.2-km jet fuel pipeline linking its storage terminals in Jebel Ali to Al Maktoum International Airport in Dubai South is now more than 20% complete. The pipeline is scheduled to be operational in 1Q20. (Source: Trade Arabia)
- Oman based Galfar Engineering & Contracting Company stated it has secured engineering, procurement and construction (EPC) works worth USD 50.6mn (OMR 19.5mn) at Duqm Refinery in the sultanate. (Source: Trade Arabia)
- Abu Dhabi-based Imkan announced that construction has started on the first mixed-use project in its USD 540mn (AED 1.9bn) 18-hectare waterfront Makers District on Reem Island. The development is making scheduled progress towards its completion timeline of 4Q20. (Source: Arabian Business)

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended October 26 (prior: 6.3mn barrels) will be announced on October 31. (Source: Econoday)
- China's Manufacturing PMI for the month of October 2018 (prior: 50.0) will be announced on October 31. (Source: Econoday)
- US jobless claims for the week ended October 27 (prior: 215K; consensus: 212K) will be announced on November 1. (Source: Econoday)



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